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Billed Entity Number: 159105
Form 471 Application Number: 1049757
Form 486 Application Number:



Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal – Funding Year 2015-2016

April 14, 2016

Lilibeth Rodriguez
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Parque Industrial Valle Tolima Edif. Multifabril
14 A-4/P.O. Box 7678
Caguas, PR 00726

Re: Applicant Name: ACADEMIA REGIONAL ADVENTISTA
DEL ESTE
Billed Entity Number: 159105
Form 471 Application Number: 1049757
Funding Request Number(s): 2866635, 2866661
Your Correspondence Dated: January 18, 2016

After review of the information and documentation provided, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's funding commitment decision for the FCC Form 471 Application Number and funding requests number(s) (FRN(s)) referenced above. This letter provides an explanation for USAC's decision. The date of this letter also begins the sixty (60) day time period for appealing this decision. If your Letter of Appeal included more than one FCC Form 471 Application Number, please note that you will receive a separate decision for each funding application.

Funding Request Number(s): 2866635, 2866661
Decision on Appeal: **Denied**
Explanation:

- During the appeal process, the Program Compliance team made contact with you on March 11, 2016 via e-mail and fax, and requested you to provide Discount Validation in support of your appeal. You were instructed that the request was time sensitive and that a response was expected within fifteen calendar days. As you failed to respond, the Program Compliance team sent a second request dated March 18, 2016. This request reminded you that the response due date was approaching. You failed to respond to this request. You requested an extension on April 5, 2016 and it was granted until April 8, 2016. Since the documentation to validate the requested discount for 90% was not forthcoming, the appeal was denied.

- FCC rules provide that the discount available to an applicant is determined by indicators of poverty and high cost. For schools and school districts, the level of poverty is based on the percentage of the student enrollment that is eligible for a free or reduced price lunch under the National School Lunch Program (NSLP) or a federally-approved alternative mechanism. Alternatively, the level of poverty is measured according to participation in Medicaid, Food Stamps, Supplementary Security Income (SSI), Federal Public Housing Assistance or Section 8, or Low Income Home Energy Assistance Program (LIHEAP). *See* Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Report and Order, 12 FCC Red 8776, 9045, FCC 97-157 para. 510, n.1334 (rel. May 8, 1997). Schools and school districts that are participating in the NSLP community eligibility provision (CEP) will use the same approach for determining their E-rate discount rate as they use for determining their NSLP reimbursement rate. Specifically, schools utilizing the CEP shall calculate their student eligibility for free or reduced priced lunches by multiplying the percentage of directly certified students by the CEP national multiplier. *See* In the Matter of Modernizing the E-rate Program for Schools and Libraries, WC Docket No. 13-184, Report and Order and Further Notice of Proposed Rulemaking, FCC 14-99 para. 225 (rel. Jul. 23, 2014). School districts shall divide the total number of students eligible for the NSLP within the school district by the total number of students within the school district to arrive at a percentage of students eligible. Independent charter schools, private schools, and other eligible educational facilities should calculate a single discount percentage rate based on the total number of students under the control of the central administrative agency. *See* 47 C.F.R. sec. 54.505(b)(1). For libraries and library systems, the level of poverty is based on the percentage of the student enrollment that is eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism in the public school district in which they are located. When a library system has branches or outlets in more than one public school district, that library system and all library outlets within that system should use the address of the central outlet or main administrative office to determine which school district the library system is in, and should use that school district's level of poverty to determine its discount rate. *See* 47 C.F.R. sec. 54.505(b)(2). Consortia members shall calculate their discounts by calculating a simple average of the applicable discounts of all consortia member school districts and libraries. *See* 47 C.F.R. sec. 54.505(b)(4). An applicant's discount rate is determined by reference to a matrix based upon the level of poverty and whether the entity is classified as rural or urban as determined by the most recent Bureau of the Census rural-urban classification. "Urban" designation if the entity is located in an urbanized area or urban cluster area with a population equal to or greater than 25,000, while all other entities shall be designated as "rural." Any school district that has a majority of schools in a rural area qualifies for the additional rural discount. *See* 47 C.F.R. sec. 54.505(b)(3)(i)-(ii).
- USAC Schools and Libraries Division oversees the administration of the E-rate Program and has the authority to make decisions concerning the administration of the application process, including activities to ensure compliance with Federal Communications Commission rules and regulations. *See* 47 C.F.R. sec.

54.705(a)(1)(iii). To conduct these reviews, USAC has put in place administrative measures to ensure the prompt resolution of applications. If applicants do not respond within the designated time period, USAC reviews the application based on the information available. *See Request for Review of the Decision of the Universal Service Administrator by Marshall County School District, Moundsville, West Virginia, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc., File Nos. SLD-220105, et al., CC Docket Nos. 96-45 and 97-21, 18 FCC Red 4520, 4522, Order, DA 03-764 para. 6 (rel. Mar. 13, 2003).* Typically, applicants are required to respond to USAC's requests for additional information necessary to complete their application within 15 days of being contacted. *See Request for Review of the Decision of the Universal Service Administrator by Bishop Perry Middle School, New Orleans, Louisiana, et al., Schools and Libraries Universal Service Mechanism, File Nos. SLD-487170, et al., CC Docket No. 02-6, Order, 21 FCC Red 5316-5317, FCC 06-54 para. 23 (rel. May 19, 2006) (Bishop Perry Order).* *See also* Application Review posted in the SLD section of the USAC website. For those instances where USAC contacts the applicant in reference to a Selective Review Information Request, the applicant may be provided 30 days to comply with the request. This procedure is necessary to prevent undue delays during the application review process.

If you wish to appeal this decision, you may file an appeal pursuant to 47 C.F.R. Part 54, Subpart I. Detailed instructions for filing appeals are available at:
<http://www.usac.org/sl/about/program-integrity/appeals.aspx>.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company

cc: William Fernandez